

Nokia Siemens Networks

Simon Beresford-Wylie
Chief Executive Officer



**Progress
update**

**Industry
and
market
trends**

**Our
direction
and
assets**

**Our
targets**

Progress update

Overall

- Progressing well – a clear winner in consolidating industry
- Well placed against backdrop of economic uncertainty

Financials

- Maintaining top line
- Improvement in operating and gross margins (non-IFRS)
- Cash collection improved, still some way to go with NWC

Integration

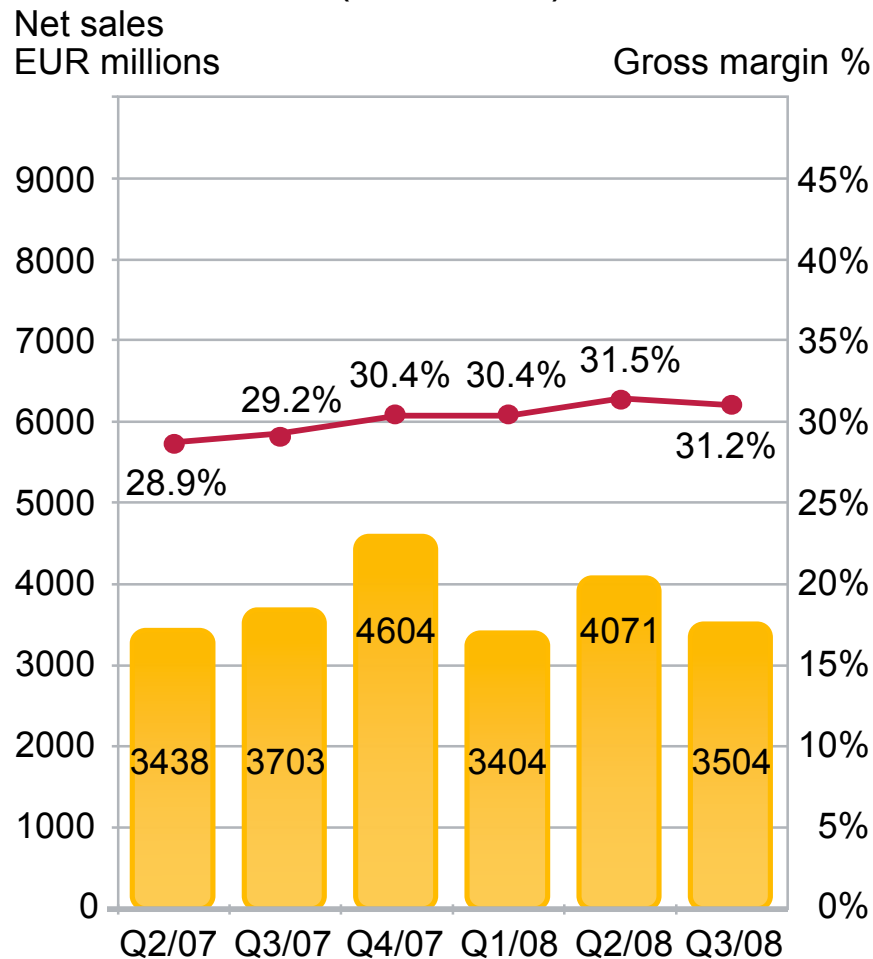
- Substantially all of EUR 2 billion annual synergies captured by 2008
- Restructuring on track
- Resource balancing on track

Strategy

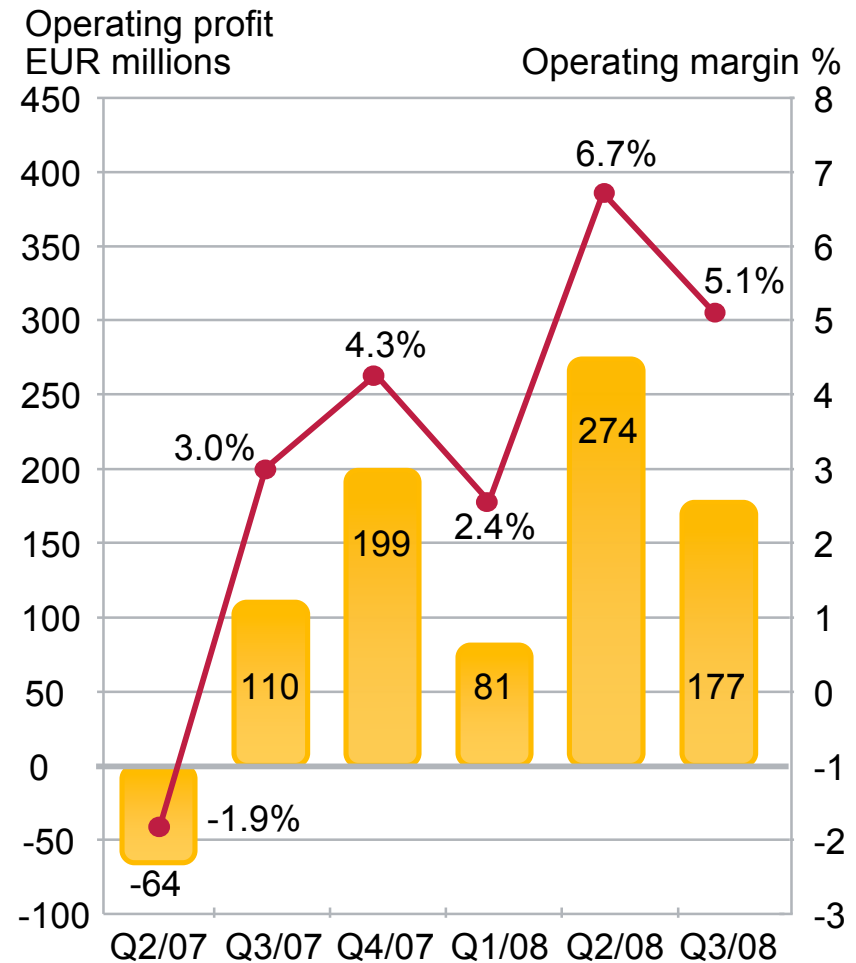
- Profit and cash first – strong deal discipline continues
- Focus on building 'most competitive' operations
- Lead in network efficiency & enriched customer experience

Financial performance – the first six quarters

Net sales and gross margin (non-IFRS)

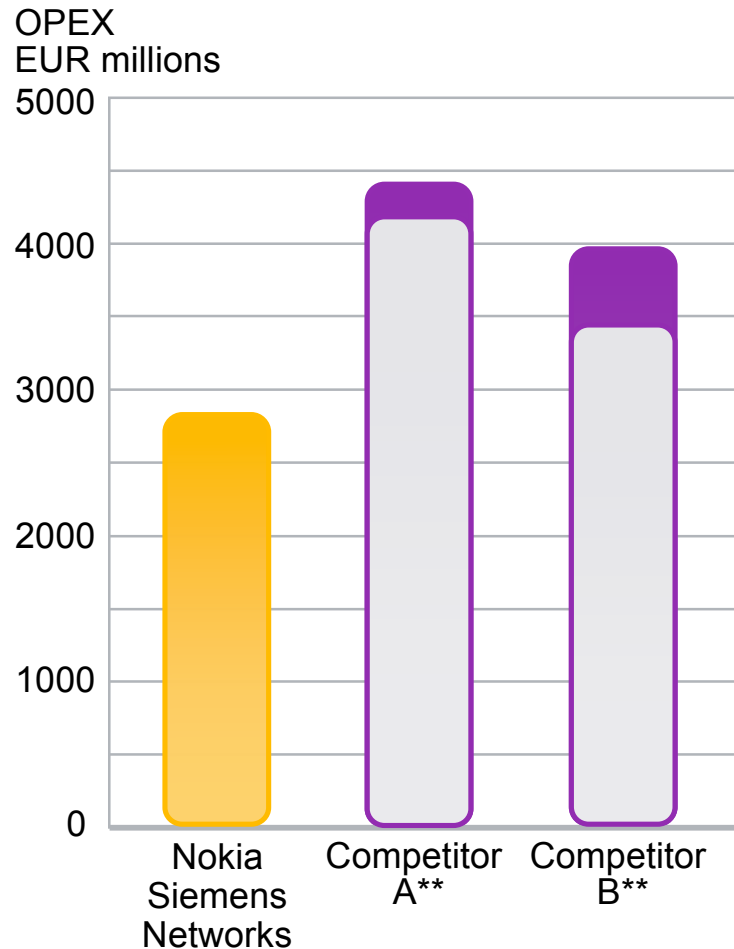


Operating profit and operating margin (non-IFRS)

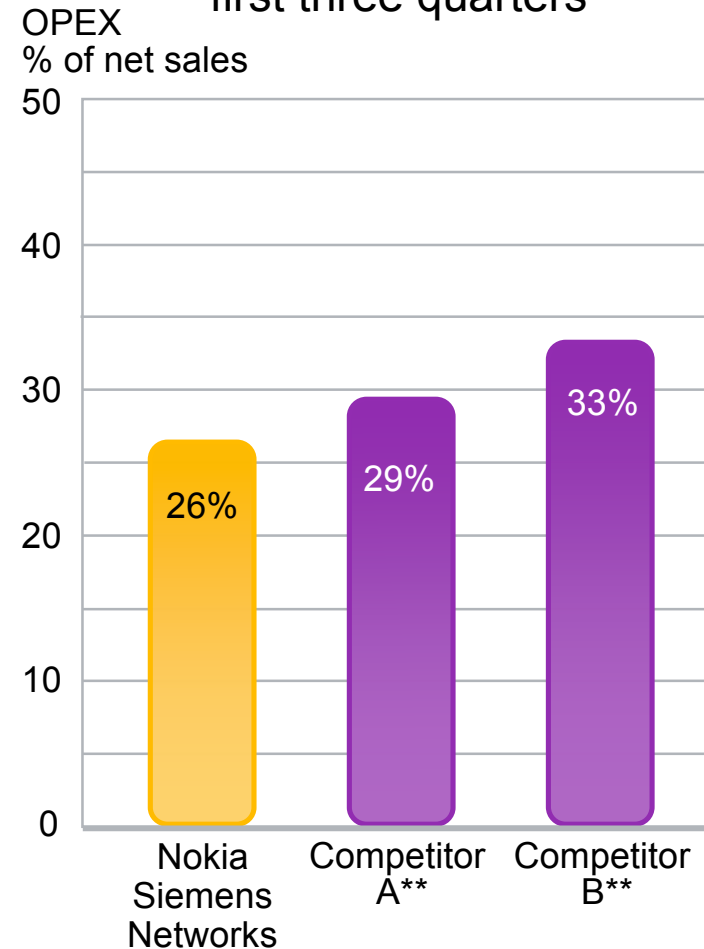


Industry-leading OPEX efficiency

OPEX* 2008 first three quarters



OPEX* as % of net sales 2008,
first three quarters



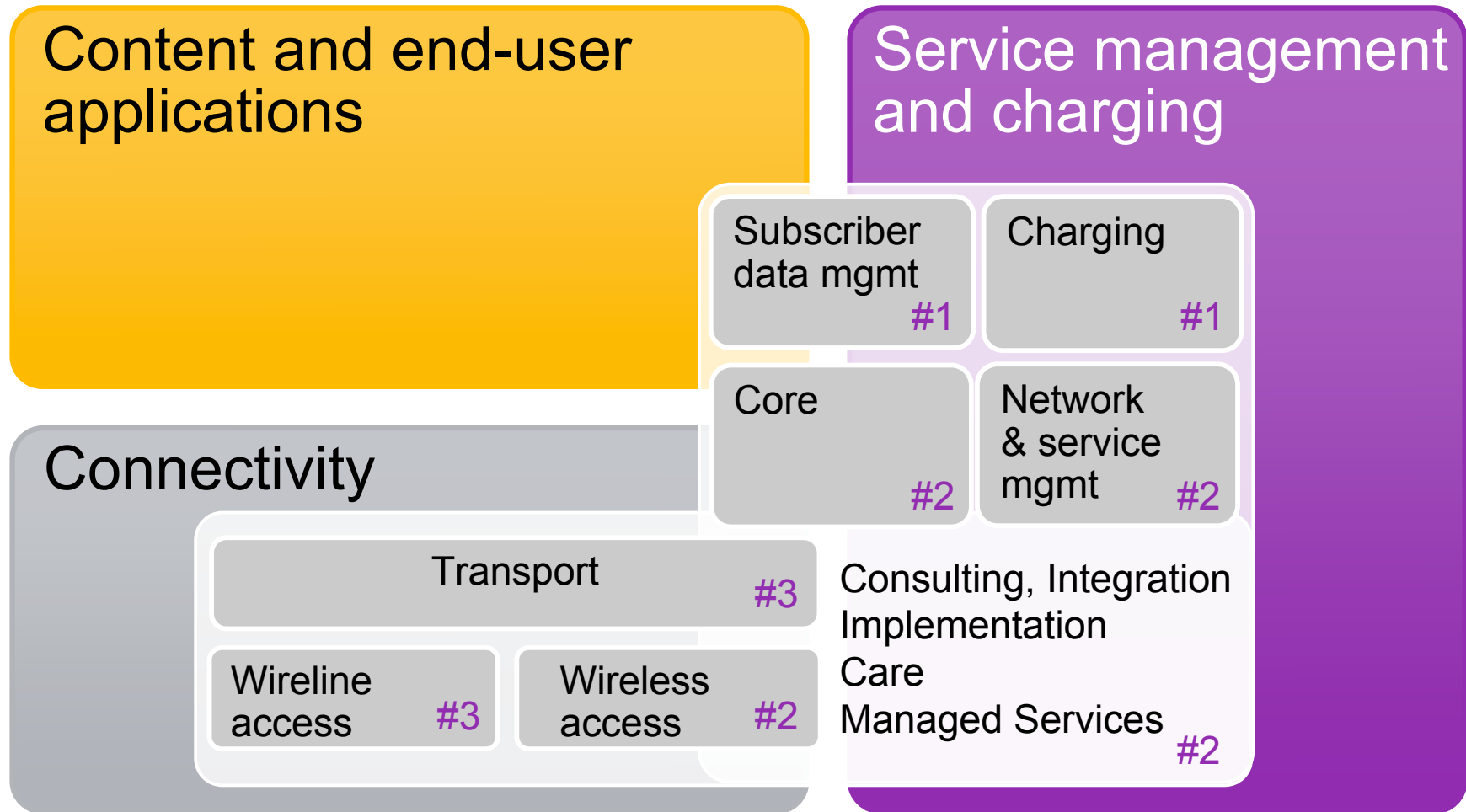
* Non-IFRS figures for Nokia Siemens Networks, excluding special items for Competitor A and B

**Competitor A and B figures are group level

Source: Company reports, Nokia Siemens Networks estimates



Scale and installed base





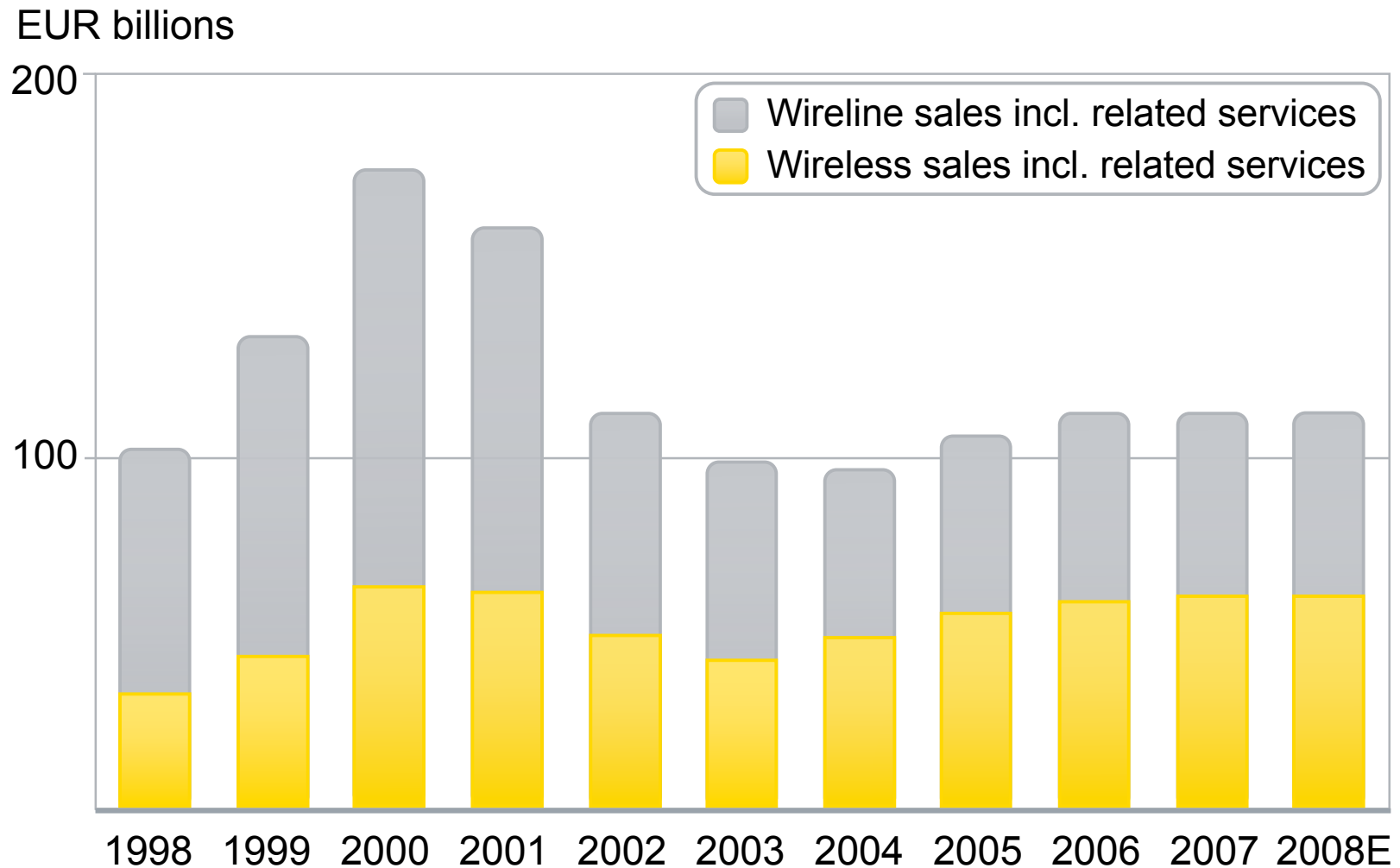
Progress
update

Industry
and market
trends

Our
direction
and
assets

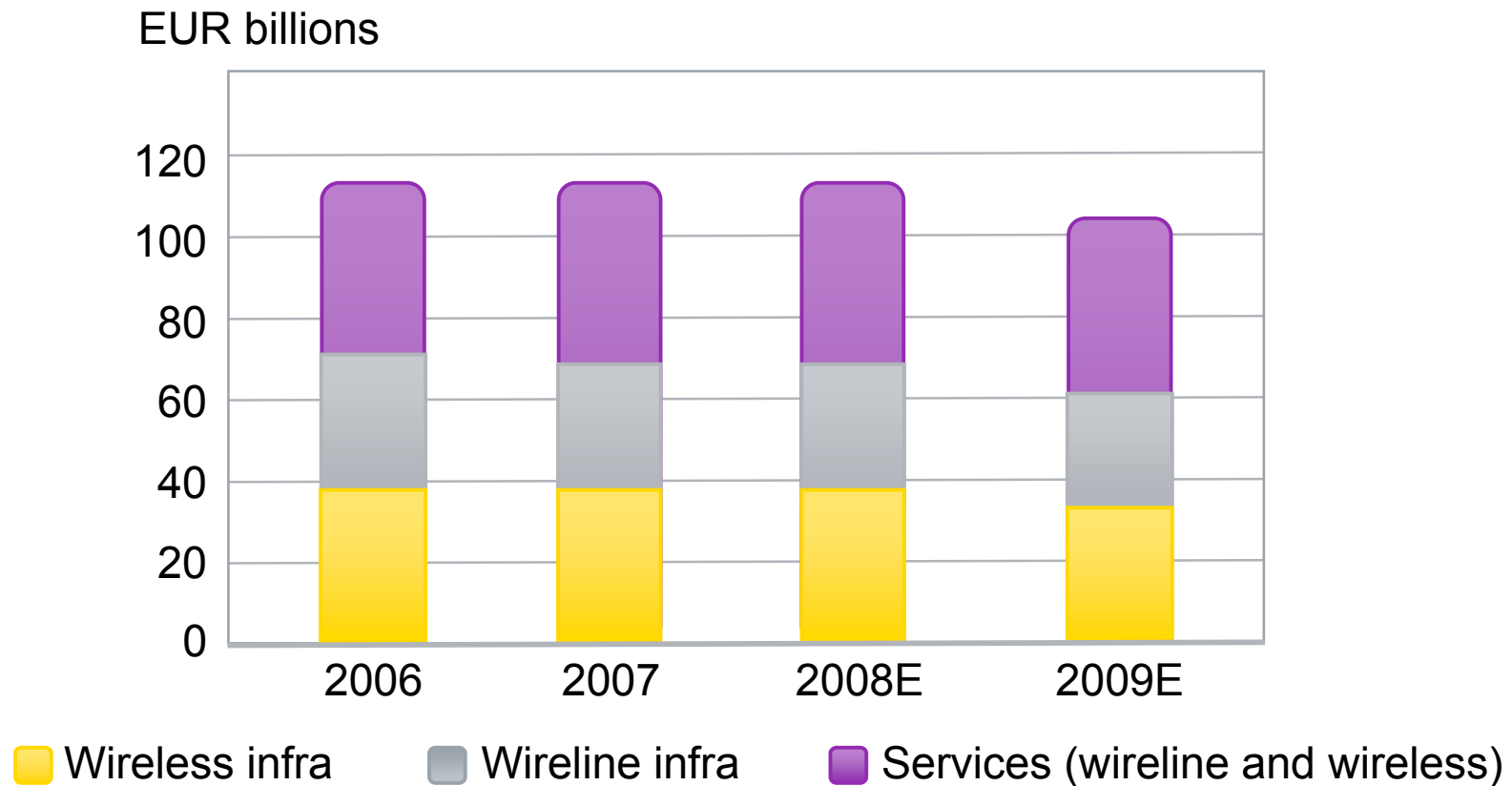
Our
targets

Telecom infrastructure market - last 10 years



Telecom infrastructure market outlook 2009: decline of 5% or more

Total vendor sales of infrastructure products and related services



Downturn brings challenge and opportunity

Content and end-user applications

- Increased partnering with Internet players and content providers
- Operators' development focus in communication

Connectivity

- Largest spend
- Upgrades with clear payback to continue
- Interest in operational efficiency solutions
- Increased interest in outsourcing

Service management and charging

- Split of major IT projects into multiple focused ones
- Interest in process simplification and automation solutions



Progress
update

Industry
and
market
trends

Our
direction
and assets

Our
targets

Continue to work on **basics**

Effective and efficient operations

Tight focus on profitability and cash flow

Leverage global resources

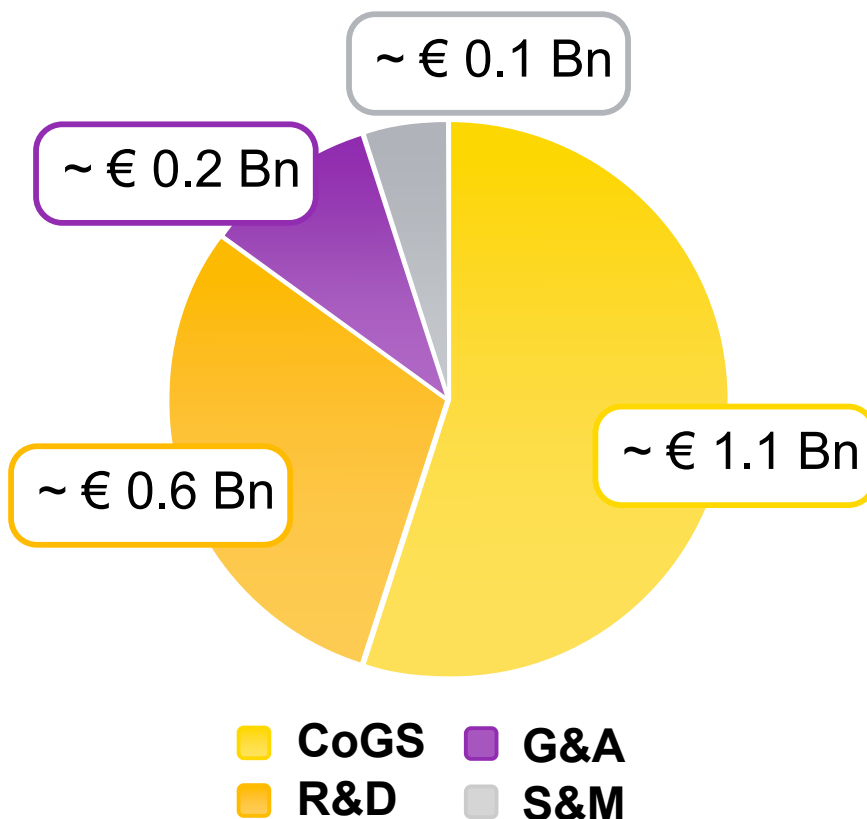
Culture and values

Business ethics and social responsibility

Focus on cost reduction

Track record of delivery

Annual cost synergy estimate
by function



Levers for ongoing cost reduction

- Scale
- Asset reuse
- Design to cost
- Global resource balancing
- Supply chain optimization
- Supplier and subcontractor consolidation
- IT and process development
- Real estate consolidation

Build for **leadership** in enriched customer experience and network efficiency

Content and end-user applications

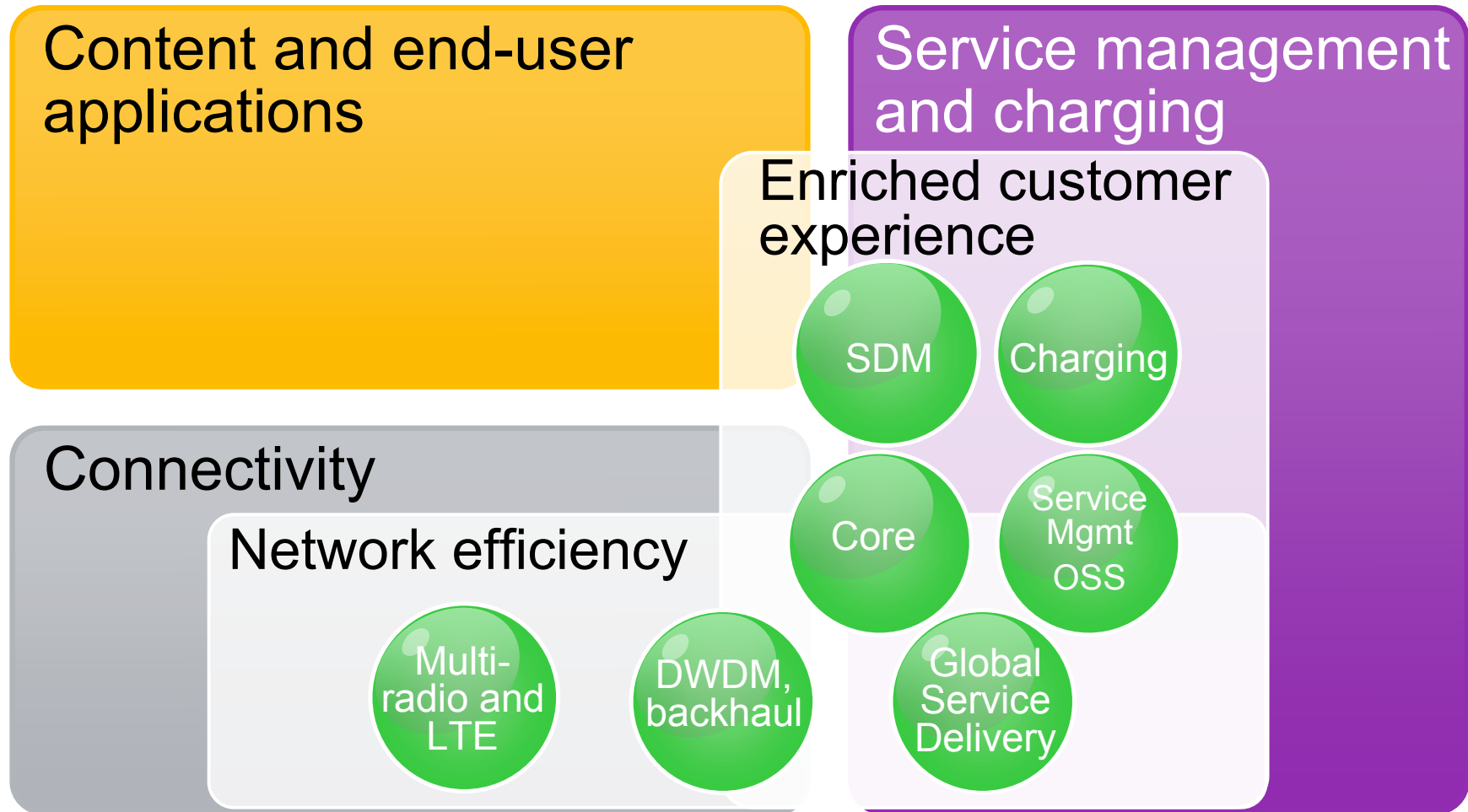
Service management and charging

Enriched customer experience

Connectivity

Network efficiency

Strong **assets** drive differentiation





Progress
update

Industry
and
market
trends

Our
direction
and
assets

Our targets

Nokia Siemens Networks targets

Maintain share in declining market

Complete integration

Continue to expand margins

Improve operating cash flow



Thank you